



State of Utah

Department of
Natural Resources

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Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

August 20, 2004

Michael Terry
Anasazi Gold Reserves
c/o North American Exploration
472 North Main Street
Kaysville, Utah 84037

Subject: Removal from Suspension Status, Anasazi Gold Reserves, Pangreen
(E/021/037) and Highland Mist (S/021/035), Iron County, Utah

Dear Mr. Terry:

On August 10, 2004, the Division notified you that your mining operations were placed in suspension for failure to pay the required permit fees for year 2004. We have since received your permit fees; therefore, your mine status is no longer listed as being in suspension and you may proceed as before. Neither of these two projects have received final acceptance to commence operations at this time.

Permit fees are required annually (by the last Friday in July) on all mines listed on the Division's files, until the site has been completely reclaimed and you have received written notification from this office that the permit is officially closed.

Nonpayment of permit fees suspends an operator's right to mine. With the new enforcement rules now in place, notices of violation can be issued and penalties assessed for nonpayment of permit fees, or other violations of the Mined Land Reclamation Rules. We hope to avoid taking enforcement action against mine operators. Thank you for keeping your mine permit in good standing.

Sincerely,

Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:jb

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